

A green, curved line representing a hill. On the hill, there are five blue silhouettes of people in various stages of walking or climbing, from a small child to a graduate in a cap and gown.

Indiana Department of Education

Glenda Ritz, NBCT

Indiana Superintendent of Public Instruction

MEMORANDUM

TO: State Board of Education

FROM: Office of Educator Effectiveness

DATE: July 1, 2015

RE: Review of Compensation Models for 2014-2015

The 2011 Indiana General Assembly established new requirements for local school district compensation model at IC 20-28-9-1.5, effective 7/1/12 . In addition to specifying certain elements for salary schedules, the statute requires the IDOE to collect and post local salary schedules on the department's internet website (<http://www.doe.in.gov/improvement/educator-effectiveness/compensation-systems>) and to review the compensation models and report noncompliance to the State Board of Education. The statute further states that the SBOE shall take "appropriate action" to ensure compliance. "[A]ppropriate action" is neither defined nor explained. Ensuring compliance is complicated by the timing of the collection and review of the salary schedules. The Indiana Education Employment Relations Board (IEERB) and IDOE do not receive contracts and salary schedules until local districts have settled and ratified their collective bargaining agreements (CBA); consequently, the IDOE review and report to the SBOE occurs after salary schedules are in place.

This year the Department reviewed 256 compensation models that were submitted to IEERB. In determining whether a plan was compliant, the IDOE considered only the statutory requirements of IC 20-28-9-1.5. All districts reviewed received a memo from IDOE indicating our opinion on compliance status. Included with this memo is a data analysis of the compensation models reviewed.

The perceived overarching purposes of IC 20-28-9-1.5 are to ensure that performance –teacher and student--is driving compensation and that highly effective and effective teachers are being rewarded. For those districts whose compliance was unclear, IDOE staff made direct contact to gather additional details and clarification in order to complete this report. In a few districts, the compensation model language is ambiguous, but operationally the model was compliant as implemented. Those districts have plans to adopt clearly compliant language when they next bargain. As a result of the IDOE's efforts at clarification, we found:

- 97.66% of salary schedules reviewed included a combination of two or more of the factors specified in IC 20-28-9-1.5(b).
- 98.44% of salary schedules reviewed clearly stated that salary increases or increments could not be allocated in the following year to teachers rated ineffective or improvement necessary by an evaluation under IC 20-28-11.5.

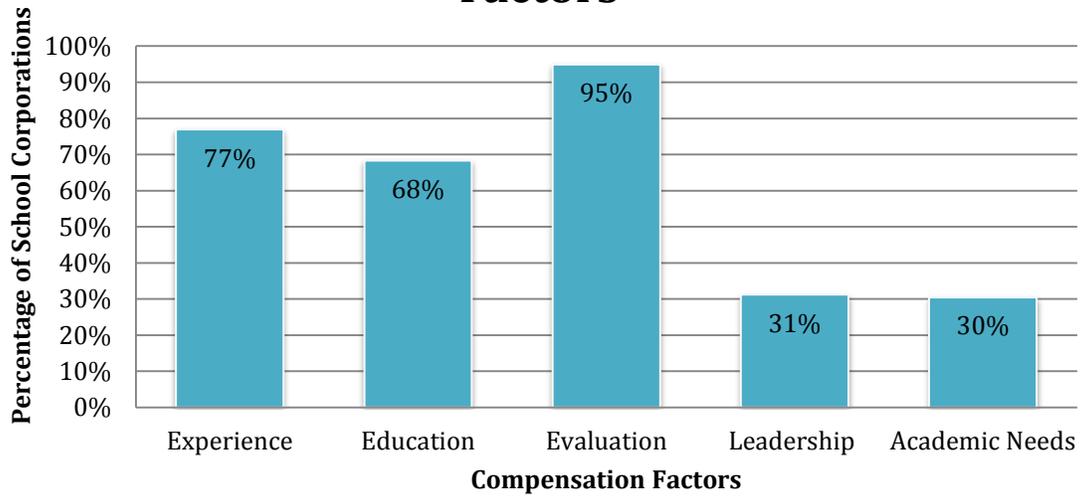
- 98.44% of salary schedules using education and/or experience as a factor clearly provided that a teacher's experience, education or combination of the two may account for no more than 33% of the calculation used to determine a stipend or salary increase or increment (IC 20-28-9-1.5(b)(1)).

As noted above, because IC 20-28-9 does not include definitions or guidance on several key terms, districts have defined and interpreted them differently. For example, "salary," "increase," "leadership," "content area," and "academic needs of students" do not have consistent meanings across districts and plans. Compensation plans also vary greatly in format, degree of detail and whether statutory requirements are assumed or expressly repeated as terms of the salary schedule.

The 2015 General Assembly amended IC 20-28-9-1.5 to provide criteria for salary recognition for additional degrees and graduate credits and established criteria for recognition of master's degrees for school years beginning on or after July 1, 2015. The amendments also require compensation models to reflect salary ranges and directed the IDOE to amend its state model compensation plan posted on the DOE website to reflect salary ranges. The DOE, in collaboration with IEERB, developed and posted an easy to understand compensation model reflecting salary ranges that is found here: (insert link). Additional updated guidance and resources are also posted.

The General Assembly also enacted a new statute defining IEERB's responsibility over review and compliance of collective bargaining agreements, specifically including compensation models under IC 20-28-9-1.5. See IC 20-29-6-6.1. Under the new statute, review of compensation models included in collective bargaining agreements beginning with the 2015-16 school year is under the jurisdiction of the IEERB. Since language in IC 20-28-9-1.5 requiring the DOE to report on compensation models to the SBOE was not deleted, DOE staff will provide the IEERB's review to the board.

Compensation Models: Calculation Factors



Compensation Models: Number of Factors

